



**North Carolina Department of Health and Human Services**  
**Division of Mental Health, Developmental Disabilities and Substance Abuse Services**  
3001 Mail Service Center • Raleigh, North Carolina 27699-3001  
Tel 919-733-7011 • Fax 919-508-0951

Michael F. Easley, Governor  
Carmen Hooker Odom, Secretary

Michael Moseley, Director

January 5, 2006

**MEMORANDUM**

TO: Area Directors

FROM: Mike Moseley *MM/wo*

RE: LME SERVICE ENDORSEMENT

With the implementation of the new Medicaid State Plan for Rehabilitation Option services, LMEs that wish to provide the new Enhanced Benefit services must receive approval from the Secretary to directly provide services. They must be directly enrolled with the Division of Medical Assistance as 'Community Intervention Services' providers and will be subject to an endorsement process by DHHS. This process will be very similar to the endorsement process that all other providers are undertaking to provide these services. LME endorsement will be a verification and quality assurance process using statewide criteria. LME endorsement will only be granted on a conditional basis for a time period not to exceed June 30, 2007 with justification for the continuance of the service on an annual basis.

All LMEs, with the exception of Piedmont Behavioral Healthcare which is now operating under special Medicaid waivers approved by the Centers for Medicare and Medicaid Services (CMS), will follow the attached statewide process. Attached are the final documents: the LME Endorsement Process and the LME Endorsement Application, which incorporates the information required to obtain approval from the Secretary to provide direct services. LMEs that wish to be considered for service endorsement must submit (electronically) a completed application to Dick Oliver by February 24, 2006. On site endorsement reviews will be performed by a two member team from the Division within 20 days of receipt of a complete application packet. Questions or comments regarding this correspondence should be referred to Dick Oliver at [Dick.Oliver@ncmail.net](mailto:Dick.Oliver@ncmail.net).

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cc: Secretary Carmen Hooker Odom  
Allen Dobson, MD  
Executive Leadership Team  
Dick Oliver

